

TESTIMONY PRESENTED TO THE COMMERCE COMMITTEE
February 21, 2012

Catherine Smith, Commissioner
Department of Economic and Community Development

**Raised HB 5018 - AN ACT CONCERNING CONNECTICUT
INNOVATIONS, INCORPORATED, AND THE CONNECTICUT
DEVELOPMENT AUTHORITY**

Good morning Senator LeBeau, Representative Berger, Senator Frantz, Representative Camillo and other members of the Commerce Committee. My name is Catherine Smith and I am the Commissioner of the Department of Economic and Community Development (DECD).

I would like to thank you for the opportunity to testify in support of HB 5018, AN ACT CONCERNING CONNECTICUT INNOVATIONS, INCORPORATED, AND THE CONNECTICUT DEVELOPMENT AUTHORITY.

This bill proposes the consolidation of the state's two quasi-public entities dedicated to economic development: the Connecticut Development Authority (CDA) into Connecticut Innovations (CI). I serve as board chair for both organizations.

These two quasi-publics play an important role in supporting job growth, startup formation and innovation in Connecticut. They provide a broad array of resources to our business community, and directly impact our overall competitiveness as a state.

Governor Malloy and I share the belief that while there have been positive results from both organizations, there is room for improvement. This proposed merger will strengthen overall performance in the many ways. It will:

- ensure complete alignment of the two organizations' strategic goals in the context of the economic development strategy we have agreed to pursue.
- capitalize on the skill sets and strengths of both organizations, while continuing to serve CDA's and CI's separate—and distinct—markets.
- allow for a more cohesive approach to promoting and marketing programs and services. Businesses will have easier, "one-stop" access to the resources they need to grow and succeed.
- sharpen the focus on supporting and promoting (for recruitment purposes) the business sectors and industries in which Connecticut has a competitive advantage (i.e. life

sciences, fuel cells, etc.). This targeted and, by definition after the merger, collaborative approach will result in better returns on investment over the long-term.

Through this combined entity we expect to finance a larger number of clients, increase job creation and business formation, and increase our overall effectiveness.

I enthusiastically support Governor Malloy's bill as it represents an important step forward in our larger strategy to reinvent Connecticut.